

# You Have Nothing to Fear If You Have Nothing to Hide

International Bar Association Conference  
September 20, 2016

**Bruce Zagaris, Esq.**  
Berliner Corcoran & Rowe LLP  
1101 17<sup>th</sup> St., N.W., Ste 1100  
Washington, D.C. 20036  
(202)293-2371  
bzagaris@bcr-dc.com

# Implications of U.S. Non-Participation in the CRS

- Foreign trust companies are starting new companies and staffing up in S. Dakota & other parts of the U.S.
- Lots of wealth flowing into the U.S. for the purpose of avoiding reporting on the CRS
- U.S. internal politics and int'l politics mean U.S. will not sign in short-term w/o recourse.
- Growing cynicism about lack of level playing field.

# Prospects for Financial or Ownership Information to Go Public

- Trends are for financial or ownership information to go public.
- In anti-money laundering, mineral extraction transparency initiative, BEPS, et al, civil society is pushing for public access.
- Networking among whistleblowers, data thieves, Wikileaks, and proactive media (ICIJ) has facilitated public access, both deliberately and accidentally.

# Prospects for Sustainability of the Confidentiality of Tax Information

- Sustainability of AEOI depends on confidentiality.
- Threats include: erosion of confidentiality due to increased sharing by tax authorities with law enforcement agencies; leaks; hacking; whistleblowing magnified by a proactive media (e.g., Wikileaks and ICIJ); and lobbying by civil society to share tax information with the public.
- Implications jeopardize the sustainability of the confidentiality of tax information.